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DEPARTMENT OF COMMERCE

International Trade Administration

[C-489-825]

Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: Based on affirmative final determinations by the Department of Commerce (the Department) and the International Trade Commission (ITC), the Department is issuing a countervailing duty order on heavy walled rectangular welded carbon steel pipes and tubes (HWR pipes and tubes) from the Republic of Turkey (Turkey). Also, as explained in this notice, the Department is amending its final affirmative determination with respect to HWR pipes and tubes from Turkey to correct the rate assigned to MMZ Onur Boru Profil Uretim San Ve Tic. A.S. (MMZ) and the “All-Others” rate.

DATES: Effective [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Brian Smith or Aqmar Rahman, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-1766 or (202) 482-0768, respectively.

SUPPLEMENTARY INFORMATION:

Background

On July 21, 2016, the Department published its final determination in the countervailing duty investigation of HWR pipes and tubes from Turkey.¹

On July 21, 2016, and July 25, 2016, the Department received timely allegations from respondents Ozdemir Boru Profil San ve Tic. Ltd. Sti. (Ozdemir), MMZ, and the Government of Turkey, that the Department made ministerial errors in the final determination.² The Department analyzed the allegations and determined that there was a ministerial error as alleged by MMZ, within the meaning of section 705(e) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.224(f).³ See “Amendment to the Final Determination” section below for further discussion.

On September 6, 2016, the ITC notified the Department of its final determination pursuant to sections 705(b)(1)(A)(i) and 705(d) of the Act that an industry in the United States is materially injured by reason of subsidized imports of HWR pipes and tubes from Turkey.⁴

¹ See *Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey: Final Affirmative Countervailing Duty Determination*, 81 FR 47349 (July 21, 2016) (*Final Determination*).

² See Letter from Ozdemir, entitled “Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey; Request for correction of ministerial error,” dated July 21, 2016; Letter from MMZ, entitled “Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey: Ministerial Error Comments,” dated July 25, 2016; and Letter from the Government of Turkey, entitled “Request of the Government of Turkey for Correction of Ministerial Errors on Final Determination in CVD Investigation on Imports of Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from Turkey,” dated July 25, 2016.

³ See Memorandum to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, “Countervailing Duty Investigation of Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey: Ministerial Error Allegations in the Final Determination,” dated August 19, 2016 (Ministerial Error Memorandum). The Ministerial Error Memorandum is a public document and is on file electronically via Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>, and is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building.

⁴ See ITC Notification Letter to the Deputy Assistant Secretary for Enforcement and Compliance, referencing ITC Investigation Nos. 701-TA-539 and 731-TA-1280-1282 (September 6, 2016) (ITC Notification).

Scope of the Order

The products covered by this order are certain heavy walled rectangular welded steel pipes and tubes of rectangular (including square) cross section, having a nominal wall thickness of not less than 4 mm. The merchandise includes, but is not limited to, the American Society for Testing and Materials (ASTM) A-500, grade B specifications, or comparable domestic or foreign specifications.

Included products are those in which: (1) iron predominates, by weight, over each of the other contained elements; (2) the carbon content is 2 percent or less, by weight; and (3) none of the elements below exceeds the quantity, by weight, respectively indicated:

- 2.50 percent of manganese, or
- 3.30 percent of silicon, or
- 1.50 percent of copper, or
- 1.50 percent of aluminum, or
- 1.25 percent of chromium, or
- 0.30 percent of cobalt, or
- 0.40 percent of lead, or
- 2.0 percent of nickel, or
- 0.30 percent of tungsten, or
- 0.80 percent of molybdenum, or
- 0.10 percent of niobium (also called columbium), or
- 0.30 percent of vanadium, or
- 0.30 percent of zirconium.

The subject merchandise is currently provided for in item 7306.61.1000 of the

Harmonized Tariff Schedule of the United States (HTSUS). Subject merchandise may also enter under HTSUS 7306.61.3000. While the HTSUS subheadings and ASTM specification are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

Amendment to the Final Determination

As discussed above, after analyzing the comments received, we determined, in accordance with section 705(e) of the Act and 19 CFR 351.224(e), that we made a ministerial error in certain calculations for the *Final Determination* with respect to MMZ, as alleged by MMZ.⁵ Accordingly, we issued amended final calculation memoranda with respect to the net subsidy rates for MMZ and “All-Others” in light of that ministerial error.⁶ To correct the error, we are issuing this amended final CVD determination, which revises the *ad valorem* subsidy rates for MMZ and “All-Others.” The amended *ad valorem* subsidy rate for MMZ is 9.87 percent. We are using this rate to derive an amended *ad valorem* subsidy rate of 12.58 percent for “All-Others.”⁷

Countervailing Duty Order

In accordance with sections 705(b)(1)(A)(i) and 705(d) of the Act, the ITC notified the Department of its final determination that the industry in the United States producing HWR pipes and tubes is materially injured by reason of subsidized imports of HWR pipes and tubes from

⁵ See Ministerial Error Memorandum.

⁶ See Memorandum to Irene Darzenta Tzafolias, Program Manager, “Countervailing Duty Investigation of Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey: Amended Final Determination Subsidy Rate for MMZ Onur Boru Profil San Ve Tic. A.S.,” dated August 19, 2016; *see also* Memorandum to Irene Darzenta Tzafolias, Program Manager, “Countervailing Duty Investigation of Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey: Calculation of the “All Others” Rate,” dated August 19, 2016.

⁷ See Ministerial Error Memorandum.

Turkey. Therefore, in accordance with section 705(c)(2) of the Act, we are publishing this countervailing duty order.

As a result of the ITC's final determination, in accordance with section 706(a) of the Act, the Department will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by the Department, countervailing duties on unliquidated entries of HWR pipes and tubes from Turkey entered, or withdrawn from warehouse, for consumption on or after December 28, 2015, the date on which the Department published its preliminary countervailing duty determination in the *Federal Register*,⁸ and before April 26, 2016, the effective date on which the Department instructed CBP to discontinue the suspension of liquidation in accordance with section 703(d) of the Act. Section 703(d) of the Act states that the suspension of liquidation pursuant to a preliminary determination may not remain in effect for more than four months. Therefore, entries of HWR pipes and tubes from Turkey made on or after April 26, 2016, and prior to the date of publication of the ITC's final determination in the *Federal Register* are not liable for the assessment of countervailing duties due to the Department's discontinuation, effective April 26, 2016, of the suspension of liquidation.

Suspension of Liquidation

In accordance with section 706 of the Act, the Department will direct CBP to reinstitute the suspension of liquidation of HWR pipes and tubes from Turkey, effective the date of publication of the ITC's notice of final determinations in the *Federal Register*, and to assess, upon further instruction by the Department pursuant to section 706(a)(1) of the Act, countervailing duties for each entry of the subject merchandise in an amount based on the net

⁸ See *Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination with Final Antidumping Duty Determination*, 80 FR 80749 (December 28, 2016) (*Preliminary Determination*).

countervailable subsidy rates for the subject merchandise. On or after the date of publication of the ITC's final injury determinations in the *Federal Register*, CBP must require, at the same time as importers would normally deposit estimated duties on this merchandise, a cash deposit equal to the rates noted below:

Exporter/Producer	Subsidy Rate (Percent)
MMZ Onur Boru Profil Uretim San Ve Tic. A.S.	9.87
Ozdemir Boru Profil San ve Tic. Ltd Sti.	15.08
All-Others	12.58

Notifications to Interested Parties

This notice constitutes the countervailing duty order with respect to HWR pipes and tubes from Turkey pursuant to section 706(a) of the Act. Interested parties may contact the Department's Central Records Unit, Room B8024 of the main Commerce Building, for copies of an updated list of countervailing duty orders currently in effect.

This order is issued and published in accordance with section 706(a) of the Act and 19 CFR 351.211(b).

Christian Marsh
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

September 7, 2016
Date

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